

ARIZONA STATE SENATE

Fifty-Fourth Legislature, Second Regular Session

REVISED FACT SHEET FOR S.C.R. 1048

corporation commission; members; appointment

Purpose

Subject to voter approval, constitutionally requires the Arizona Corporation Commission to be appointed by the Governor, rather than elected at the general election.

Background

The Arizona Constitution establishes the Arizona Corporation Commission (ACC) to regulate public service corporations, facilitate the incorporation or organization of companies under Arizona law, oversee railroad and pipeline safety, and regulate the sale of securities. The ACC is composed of five commissioners who are elected at the general election to four-year terms, subject to a limit of two consecutive terms. The Arizona Constitution authorizes the Legislature to prescribe commissioner qualifications by law (Ariz. Const. art. 15).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

- 1. Replaces the requirement that the five ACC commissioners be elected at the general election with a requirement that the Governor appoint the commissioners with the consent of the Senate.
- 2. Increases, from four years to five years, commissioner term lengths and removes the term limit of two consecutive terms.
- 3. Requires, on the term expiration of two commissioners in January 2023, the Governor to appoint:
 - a) one commissioner to serve from January 2023 to January 2026; and
 - b) one commissioner to serve from January 2023 to January 2027.
- 4. Requires, on the term expiration of three commissioners in January 2025, the Governor to appoint:
 - a) one commissioner to serve a term from January 2025 to January 2028;
 - b) one commissioner to serve from January 2025 to January 2029; and
 - c) one commissioner to serve from January 2025 to January 2030.
- 5. Specifies that all terms after initial Governor appointment are five-year terms.
- 6. Replaces the authority of the Legislature to prescribe commissioner qualifications, with a requirement to prescribe commissioner qualifications.

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- 7. Subjects a Governor appointment to fill a vacancy to the consent of the Senate.
- 8. Makes technical and conforming changes.
- 9. Becomes effective if approved by the voters and on proclamation of the Governor.

Revision

• Corrects provisions to include the replacement of the Legislature's authority to prescribe commissioner qualifications with a requirement to prescribe qualifications.

Prepared by Senate Research February 13, 2020 LB/gs